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ASX Announcement

19 November 2014

Strong silver-zinc-gold drilling results point to additional extensions at Nimbus

MacPhersons Resources (ASX: MRP) is pleased to advise that drilling at its Nimbus project near Kalgoorlie has intersected silver-zinc-gold mineralisation outside the planned stoping designs, paving the way for an increase in resources and reserves.

Last month MacPhersons completed the drilling and commenced resource modelling of the Boorara gold zones to complete the inputs for the Feasibility Study (BFS).

Since October, MacPhersons has focused drilling extensions of the silver-zinc-gold lenses at Nimbus. Receipt of preliminary assay results on the Nimbus depth and strike extensional drilling have commenced. Highlights of the new drilling are (preliminary list of intersections above cut-off are included in Table 3):

- **7.0m @ 1472 g/t Ag-Eq*** in NBRC145 from 216m depth;
  - **Interval averages 755 g/t silver and 21% zinc.**
- **10.0m @ 852 g/t Ag-Eq*** in NBRC151 from 206m depth;
  - **Interval averages 542 g/t silver and 8.3% zinc.**
- **14.0m @ 280 g/t Ag-Eq*** in NBRC153 from 96m depth;
  - **Interval averages 258 g/t silver.**
- **8.0m @ 518 g/t Ag-Eq*** in NBRC157 from 70m depth;
  - **Interval averages 326 g/t silver and 3.05 g/t gold.**
- **1.0m @ 1057 g/t Ag-Eq*** in NBRC157 from 89m depth;
  - **Interval averages 761 g/t silver and 6.58 g/t gold.**

- **Note***: Because the Nimbus Project reports Ore Reserves, **the reported grade is Ag-Eq recovered grade**, meaning that reporting has taken into consideration mining dilution, mining losses, mining recoveries and pillar allocation, metallurgical recoveries, refining and smelting losses and charges, marketing costs, and royalties. **Full details of Ag Eq* calculations and input parameters detailed in Table 4.**

- **Ag-Eq* is calculated using metal credits: Ag Eq* = Ag + (Zn x 26.65) + (Au x 38.43) + (Hg x 0.17)**

Drilling at Nimbus will continue for the duration of the December Quarter.

The final diamond drillhole samples from Boorara are in the process of sampling for a variability study to be used for final metallurgical signoff on the gold zones. This testwork will also be completed to BFS level.

The overall project economics of the Nimbus project remain robust despite the metal prices with the falling value of the Australian dollar continuing to offset lower US dollar commodity prices.

Success in growing the Nimbus inventory sufficiently to extend the project's forecast mine life beyond 5.5 years, along with reductions in mining and processing costs, would in turn deliver significant benefits to the project's overall economics, including shareholder returns.

Managing Director, Mr Morrie Goodz said "*the results continue to support additional mineralisation which will add to the resource and reserve updates and form the final input into the feasibility studies due for completion in Q2 2015*."

"*We continue to identify that the upside at Nimbus is substantial and therefore we remain highly confident that the mine life could be extended significantly beyond the current five-and-a-half-year plan*," he said.

"The recent drilling has emphasised that gold-bearing intersections will continue to deliver additional value to the silver-zinc mineralisation as evidenced by the NBRC157 intersections up to 6.5g/t gold reported in today's announcement."

Figure 1 *– Nimbus silver-zinc-gold mine located 10km east of the Kalgoorlie Super Pit showing the current drilling program focused on adding additional extensions to the existing mine design. Continued successful drilling would add significant inventory to the current 5.5 year mine life of the Nimbus project.*

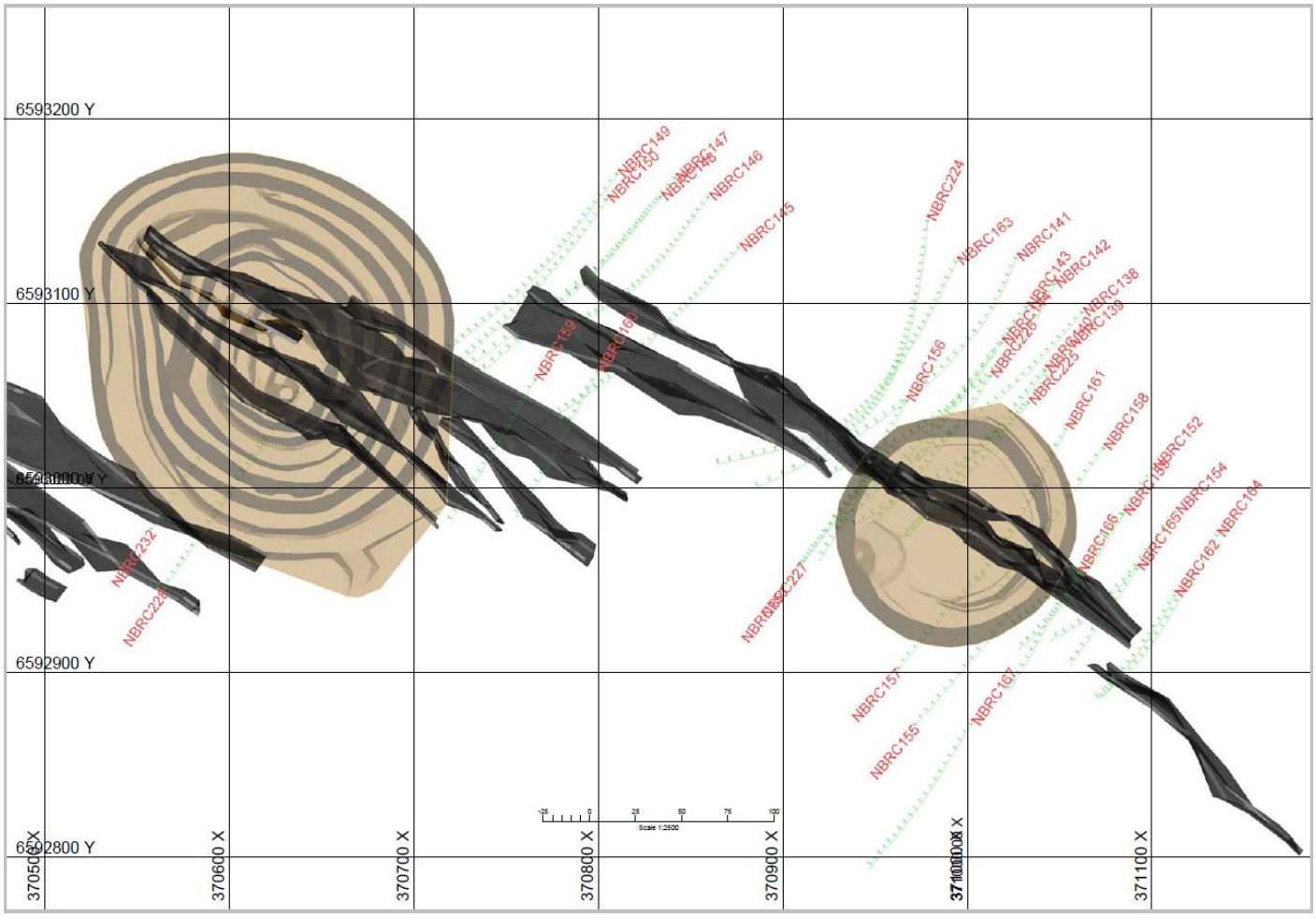

Table 1 – JORC Table 1 sections 1 and 2 are included as Appendix 1. JORC Table 1 Sections 3 and 4 have not changed since the ASX release dated 8th August 2014. A full mineral resource and ore reserve update is scheduled for (Q1-Q2 2015).

Table 2 – Details of drillhole locations of RC exploration holes completed to date. Only some preliminary assays have been received from these drillholes as reported in this announcement (NBGT005 was a geotech design drillhole for the proposed decline portal from the base of the East Pit).

Hole ID	Easting	Northing	RL	Length	Azimuth	Dip
NBGT005	370939	6592908	402	221	035°	-55°
NBRC125	370770	6593150	397	174	215°	-60°
NBRC126	370785	6593170	396	210	215°	-60°
NBRC127	370748	6593163	396	170	215°	-60°
NBRC128	370764	6593184	396	210	215°	-60°
NBRC130	370729	6593178	396	170	215°	-60°
NBRC131	370708	6593190	395	180	215°	-60°
NBRC135	370188	6593320	396	198	215°	-60°
NBRC136	370194	6593287	396	246	215°	-60°
NBRC137	370193	6592473	403	156	035°	-60°
NBRC138	371062	6593095	399	310	215°	-60°
NBRC139	371055	6593077	399	280	210°	-60°
NBRC140	371042	6593064	400	240	215°	-60°
NBRC141	371026	6593124	397	330	215°	-60°
NBRC142	371047	6593110	397	340	205°	-60°
NBRC143	371032	6593098	399	202	215°	-60°
NBRC144	371019	6593078	400	240	215°	-60°
NBRC145	370877	6593130	398	354	215°	-60°
NBRC146	370860	6593157	397	270	215°	-60°
NBRC147	370842	6593168	397	276	215°	-60°
NBRC148	370834	6593157	397	402	215°	-60°
NBRC149	370811	6593170	396	350	215°	-60°
NBRC150	370805	6593156	397	310	215°	-60°
NBRC151	370901	6592946	403	222	035°	-60°

Table 2 – Continued.

Hole ID	Easting	Northing	RL	Length	Azimuth	Dip
NBRC152	371101	6593011	400	240	215°	-60°
NBRC153	371085	6592986	400	198	215°	-60°
NBRC154	371113	6592987	400	198	215°	-60°
NBRC155	370972	6592872	402	150	035°	-60°
NBRC156	370968	6593048	401	198	215°	-60°
NBRC157	370963	6592903	401	150	035°	-60°
NBRC158	371074	6593022	400	180	215°	-60°
NBRC159	370766	6593059	398	180	215°	-60°
NBRC160	370800	6593063	397	186	215°	-60°
NBRC161	371054	6593032	397	200	215°	-55°
NBRC162	371112	6592942	397	140	215°	-60°
NBRC163	370995	6593122	397	390	200°	-60°
NBRC164	371135	6592975	397	220	215°	-60°
NBRC165	371092	6592957	397	126	215°	-60°
NBRC166	371060	6592954	397	150	215°	-60°
NBRC167	371003	6592873	397	204	215°	-60°
NBRC224	370979	6593145	397	378	185°	-60°
NBRC225	371033	6593047	397	210	215°	-60°
NBRC226	371013	6593061	397	210	215°	-60°
NBRC227	370912	6592961	397	160	035°	-60°
NBRC228	370565	6592946	397	300	035°	-55°
NBRC229	370590	6593308	400	210	035°	-60°
NBRC230	370610	6593336	400	210	035°	-60°
NBRC232	370558	6592978	397	84	035°	-55°

Table 3 – Preliminary silver-zinc-gold assays received above 100g/t grade.

HOLE-ID	FROM(m)	TO (m)	LENGTH_CMP	Ag-Eq* (g/t)	AG_C_PPM	ZN_C_PPM	HG_C_PPM	AU_C_PPM
NBRC143	187.00	191.00	4.00	474.85	385	20455	195	0.05
NBRC143	199.00	201.00	2.00	400.17	307	25275	153	0.01
NBRC144	114.00	115.00	1.00	192.69	166	4750	17	0.29
NBRC144	118.00	119.00	1.00	423.78	354	11700	53	0.77
NBRC145	216.00	223.00	7.00	1472.00	755	209871	875	0.24
NBRC151	161.00	162.00	1.00	105.90	2	28700	159	0.01
NBRC151	206.00	216.00	10.00	852.03	542	83300	501	0.06
NBRC153	70.00	72.00	2.00	128.17	77	10170	118	0.10
NBRC153	89.00	92.00	3.00	106.20	18	23700	146	0.01
NBRC153	96.00	110.00	14.00	279.62	258	4953	48	0.01
NBRC153	129.00	130.00	1.00	403.98	383	3140	38	0.16
NBRC155	84.00	85.00	1.00	102.10	100	278	8	0.00
NBRC157	70.00	78.00	8.00	517.69	326	72	439	3.05
NBRC157	82.00	83.00	1.00	177.03	2	641	20	4.51
NBRC157	89.00	90.00	1.00	1056.82	761	296	248	6.58

Table 4 – Listing of silver equivalent input parameters:

Note* - Silver equivalent (Ag-Eq) is calculated using metal credits only in blocks carrying economic grades of silver and/or zinc and/or gold. The formula is:

Ag-Eq = Ag + (Znx26.65) + (Aux38.43) + (Hgx0.17)

The model is based on prices set as of July 2014 (both spot market prices and price ratios have generally averaged higher than these price levels over the past 18 months, thereby providing a buffer to these calculations). Recent increases in the zinc prices and in the gold:silver price ratio would actually increase the factoring values in the Ag-Eq formula and therefore the calculated Ag-Eq is a conservative value.

Note*: For Ore Reserves the reported grade is Ag-Eq recovered grade, meaning that reporting has taken into consideration mining dilution, mining losses, mining recoveries and pillar allocation, metallurgical recoveries, refining and smelting losses and charges, marketing costs, and royalties.

In the Company's opinion, all metals included in the equivalent calculation have reasonable potential to be recovered and sold.

Full details of the Nimbus reserve and resource calculations including parameters for silver equivalent calculations as per JORC Code (2012) are contained in the Company's announcements dated 8th August 2014 / 3rd December 2013.

For more information on MacPhersons Resources Limited and to subscribe for regular updates, please visit our website at: www.mrpresources.com.au or contact our Kalgoorlie office on info@mrpresources.com.au or 08-9068-1300.

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Nimbus Ore Reserve Statement:

Open Pit							Ag Metal	Au Metal	Zn metal	Hg metal	Ag Eq. metal
Class	*Tonnes*	*Ag*	*Au*	*Zn*	*Hg*	*Ag_equ*	*Moz*	*koz*	*kt*	*t*	*Moz*
Proved	426,052	169	0.10	2.73%	296	251	2.32	1.36	11.61	126	3.44
Probable	279,329	215	0.19	2.04%	107	279	1.93	1.69	5.71	30	2.50
Total	705,381	187	0.13	2.46%	221	262	4.25	3.06	17.32	156	5.94
Underground											
Class	*Tonnes*	*Ag*	*Au*	*Zn*	*Hg*	*Ag_equ*	*Moz*	*koz*	*kt*	*t*	*t*
Proved	242,801	111	0.10	2.85%	249	195	0.86	0.78	6.92	60	1.52
Probable	498,854	197	0.06	3.92%	126	306	3.17	0.96	19.56	63	4.91
Total	741,655	169	0.07	3.57%	166	270	4.03	1.74	26.47	123	6.43
Nimbus Total											
Class	*Tonnes*	*Ag*	*Au*	*Zn*	*Hg*	*Ag_equ*	*Moz*	*koz*	*kt*	*t*	*t*
Proved	668,853	148	0.10	2.77%	279	231	3.18	2.14	18.53	187	4.96
Probable	778,183	204	0.11	3.25%	119	296	5.10	2.66	25.27	92	7.42
Total	1,447,036	178	0.10	3.03%	193	266	8.28	4.80	43.80	279	12.37

Reported according to the 2012 JORC Code (8th August 2014).
Mineral resource reported using Ag ≥ 25 g/t or Au ≥ 0.5 g/t or Zn ≥ 1.0%
Ore reserve estimated using a gold price of USD$1250/oz, a silver price of USD$20/oz and a zinc price of USD$2220/t

Nimbus Mineral Resource Statement:

Zone	Category	Tonnes	Ag Grade	Au Grade	Zn Grade	Hg Grade	Ag Eq.	Ag Metal	Au Metal	Zn metal	Hg metal	Ag Eq. metal
		Mt	*g/t*	*g/t*	*%*	*g/t*	*g/t*	*Moz*	*koz*	*kt*	*t*	*Moz*
Mineral Resource as at 25th July 2013 (update in progress for release Q4 2014)												
Silver Zone	Measured	1.041	112	0.11	2.32	224	219	3.7	3.8	24	233	7.3
	Indicated	2.502	103	0.17	1.54	70	168	8.3	13.8	38	175	13.6
	Sub-total	3.543	105	0.15	1.77	115	183	12	17.5	63	408	20.9
Gold Zone	Inferred	1.333	10	0.67	0.16	17	59	0.4	28.5	2	23	2.6
	Total	**4.876**	**79**	**0.29**	**1.33**	**88**	**149**	**12.4**	**46**	**65**	**431**	**23.4**

About MacPhersons

MacPhersons Resources Ltd (MRP) is a Western Australian resource company with a number of advanced gold, silver and zinc exploration projects.

The Company's focus is to explore and extend the highly prospective Boorara and MacPhersons geological domains of which the Company holds 100% interest in 20km and 11km of strikelength, respectively, including the Nimbus silver-gold-zinc mine and the namesake MacPhersons open cut gold mine.

To fast track the opportunity to process MacPhersons' ore within the MRP business, the Company has acquired mill processing and mine assets at the Nimbus silver-gold-zinc mine, located 10km east of Kalgoorlie's super pit. The assets come with an approved site for ore processing. A Bankable Feasibility Study (BFS) examining a 4-fold increase in the processing plant capacity is nearing completion.

The assets are at an advanced stage of exploration with prospects adjacent to and beneath 10 existing open cuts and with multiple polymetallic VHMS deposits carrying silver-gold- zinc-lead-copper mineralisation, and new greenfields discoveries.

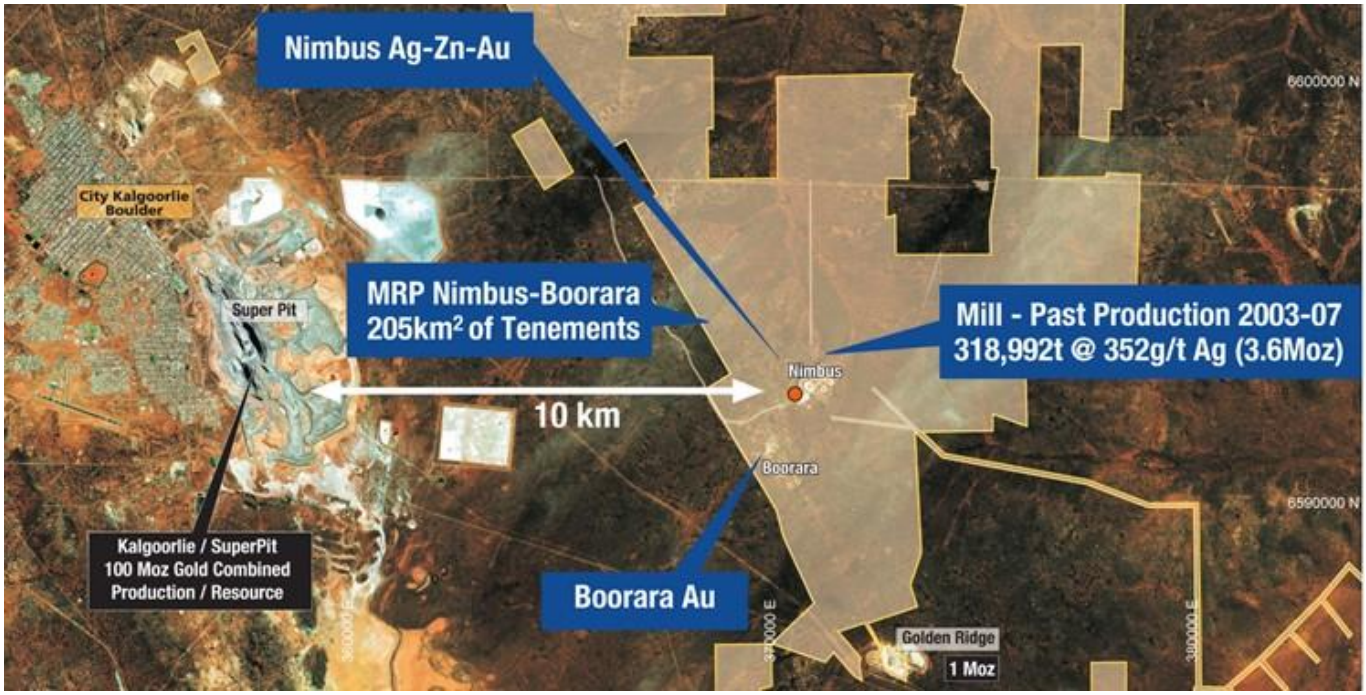

Figure 2 – Nimbus-Boorara project area located 10km east of the City of Kalgoorlie-Boulder, Western Australia.

Competent Person's Statement

The information in this report that relates to Ore Reserves, Mineral Resources and Exploration Results is based on information compiled by Mr Morrie Goodz who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Morrie Goodz is a full time officer of MacPhersons Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Goodz has given his consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 Report

Section 1 Sampling Techniques and Data

Note – The following table includes the additional one diamond drillhole and 47 Reverse Circulation (RC) drillholes completed since August 2014 and refers to the historical data and drilling, logging and sampling processes.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	1. *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	This programme includes one diamond drillhole and 47 RC drillholes completed in the period from August 2014. A total of 7,174samples have been submitted to the ALS Perth laboratory for multi-element analysis from this drilling. The drilling programmes conducted by MacPhersons resulted in industry standard quality control of sampling. The drilling to date included in the Nimbus database is: • Historical - 336 RC holes 29,702m, 88 DDH 21,447m • MRP Core – 38 DDH holes 11,212.88m • MRP RC – 220 RC holes 35,284m • MRP Aircore – 200 AC 9,958m
	2. *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	Diamond core was marked, logged, photographed and sawn in half and sampled according to lithology with minimum lengths of 0.3m and maximum lengths of 1.5m. For core, longer sample lengths over 1m are generally where there is a reduction in core recovery for various reasons. All RC drilling is sampled on a one metre interval basis. Geology is logged at one metre intervals and an estimate of sample recovery is also made to ensure that the sample is representative. For both methods of drilling appropriate QAQC protocols were followed, including submission of commercial standards.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	3. *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	All samples will be analysed by ALS method ME ICP-61 (33 element scan); if Ag was > 100ppm then the sample is re-assayed by method OG62. If the Ag assay returned >1,500ppm, the laboratory (ALS) will switch to analytical method OG46 or OG62h. If Zn was >10,000ppm (or 1%) following ICP-61, then a re-assay using OG62h will be required. Triggers of 10,000ppm for Pb and Cu were also set, with OG62h subsequently used for those samples. Au is assayed by ALS method AA25 which is 50g fire assay.
Drilling techniques	4. *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	MRP Core – HQ3 triple tube cored from surface. Orientated by electronic "Reflex Orientation Tool" Core lengths and orientations checked daily by MRP geologist MRP RC Drilling have ranged between 127mm or 143mm hole diameter.
Drill sample recovery	5. *Method of recording and assessing core and chip sample recoveries and results assessed.*	**Diamond core** recovery is logged and recorded in the database. Some core loss was recorded in NBGT005. Diamond core was reconstructed into continuous runs for orientation marking, depths being checked against the depth marked on the core blocks and rod counts are routinely carried out by the drillers. Core loss noted on core blocks & drilling run sheets for each 1.5m or 3m run. Core loss checked daily by MRP by 1m measure/marking of core. Core loss noted by MRP as over-drill, loss, wash out, cavity.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
		RC Drilling recovery is estimated for all one metre intervals and all sample weights from the laboratory are stored in the database.
	6. *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	MRP **Core** – HQ3 core drilled to increase sample size and maintain highest sample quality and recovery. Other methods used to ensure maximum recovery are triple tube equipment, shorter drill runs, slow drill rotation speed, pump/slide core from core barrel, use of key drill muds & lubricants, regular change drill bits. For MRP RC drilling recoveries are generally very good (>70%) with only rare occasions when groundwater may be encountered that sample recovery may be lower.
	7. *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Sample Recovery is generally very high within the mineralisation zone. No significant bias is expected, and any potential bias is not considered material at this stage of resource development.
Logging	8. *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	All drilling underwent detailed logging through the entire hole with record kept of colour, lithology, degree of oxidation, water table, sulphide content, alteration and veining etc. Diamond core was geotechnically logged for recovery and RQD. Structural (faults, fractures, veins) measurements collected by geological consultant using core frame logger as alpha & beta and recorded in the database. Diamond core and RC chip trays are photographed as a permanent record. Diamond core has been stored at the project site for future reference and RC sample bags are bag “farmed” should any further samples be required.
	9. *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	Logging is qualitative in nature, but for visual estimates of mineral percentages. A small amount of quantitative spectral logging has been performed to confirm visual logging (using an Olympus hand-held XRF device).

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
		All drill core is photographed prior to sampling, and some is photographed after sampling showing the half or quarter slice surface. Core trays are re-photographed when metallurgical samples are collected. RC Chip trays are also photographed for a visual record. MRP Logging: • All core and RC chips from surface to EOH geologically logged qualititatively by MRP geologists. Structural and geotechnical logging of diamond core quantitative by its nature. All logs include records of lithology, oxidation state, colour, mineralisation, alteration and veining. All core and chips photographed in both dry and wet form.
	10. The total length and percentage of the relevant intersections logged.	All drill holes were logged in full.
Sub-sampling techniques and sample preparation	*11. If core, whether cut or sawn and whether quarter, half or all core taken.*	MRP Core –half core sampled to lithological boundaries or a noted abundance or lack of sulphide mineralisation. Min length 0.3m & max length 1.2m. (ave length 1m). Intervals marked with yellow paint marker. Intervals measured to 0.05m. Competent core cut using automated diamond saw. Broken crumbly core cut using mallet and chisel. Where metallurgical test samples required remaining core cut in half leaving quarter core.
	12. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples are collected every one metre with a split sample processed by a rig mounted cone splitter. Generally, if dry sample weights are sufficient, recoveries may be low for wet samples and so a spear sample may be collected to ensure enough sample for laboratory work
	13. For all sample types, the nature, quality and appropriateness of the sample preparation technique.	MRP drilling - sample preparation and analysis will completed by ALS in Perth.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
		Sample preparation via code PREP-31 - logged in tracking system with bar code attached, wet samples dried through ovens, fine crushing to better than 70% passing 2mm, split sample using riffle splitter, split of up to 1000g pulverised to >85% sample passing 75um.
	14. *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Field QAQC procedures included the insertion of commercial standards for all sampling. Standards (including in house blanks) were inserted at a rate of about 1 every 30 samples. Field duplicates for RC drilling only are inserted at an average rate slightly over 1 per hole.
	15. *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	Diamond core is always pieced together and oriented as per ori-tool. The same half is always collected removing any sampling bias and similar process is applied to quarter-core. Field duplicates are collected from RC samples and inserted into sample string.
	16. *Whether sample sizes are appropriate to the grain size of the material being sampled.* ‘	Sample sizes are considered to be appropriate for the mineralisation present at Nimbus.
Quality of assay data and laboratory tests	17. *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Historical – Aqua Regia digest technique found to be in appropriate >50ppmAg, Triple acid digest (HCL, HNO3, HClO4) used >50ppmAg, 10x dilution for >500ppmAg . MRP - Silver & Base Metals - Ag(0.5ppm), As(5ppm), Cr(1ppm), Cu(1ppm), Fe(0,01%), Ni(1ppm), Pb(2ppm), S(0.01%), Sb(5ppm), Zn(2ppm) 4 acid digest, HCl Leach (GEO-4ACID).

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
		Analysis - ME – ICP61 – AES, assays of >100ppmAg, >1%Zn, 1%Pb, 1%Cu 2nd charge from pulp and re-assayed at different dilutions (ME-OG62). Mercury - Hg(0.01ppm) Cold by Aqua Regia Digestion (GEO-AR01) Analysis (AAS). Gold - Au 30g charge by Fire Assay Fusion (FA-FUS01) (AAS). Assays >2ppmAu – reassay by FA AAS. Assays >5ppmAu a 2nd sample from coarse reject pulverised 30g charge analysed by FA AAS.
	18. *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	Sampling techniques, other than drill hole samples already discussed, were not utilised as part of the 2013 MRE. However, an XRF instrument is used as a guide to confirm visual mineralisation and to do background checks on less visual mineralisation. It can also be useful to determine lithological changes not immediately apparent, as in the deeply weathered profile. The machine is calibrated on a regular schedule.
	19. *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Field QAQC procedures included the insertion of field duplicates (RC samples) and commercial standards. The standards generally performed well with results falling within prescribed two standard deviation limits. • Performance of standards for monitoring the accuracy, precision and reproducibility of the silver and zinc assay results received from ALS were monitored. • Certified Standards from commercial supplier are inserted on average 1 in every 30 samples. Standards reported for Ag & Zn analysis and vary between 2.9ppm Ag to 389ppm Ag, & from 210ppm Zn to 65,582ppm Zn. • Blank samples compiled from barren non-Nimbus RC holes. Blanks test for contamination within the sample preparation equipment at the lab. • Laboratory provide pulp duplicates from diamond core and RC samples.
Verification of sampling and assaying	20. *The verification of significant intersections by either independent or alternative company personnel.*	At least two different company personnel visually verified intersections in both diamond core and RC drill chips.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	21. The use of twinned holes.	Recent drilling has not been designed to provide twin holes, but some of it is designed as resource infill drilling which aims to confirm the tenor and width of mineralisation encountered in previous resource drilling.
	22. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Drill hole data collected in the form of spread sheets, for drill hole collars, surveys, lithology, sample intervals and assays. All data verified and validated by MRP geologists imported into Gemcom GEMS™ (GEMS) database, licensed to MRP and maintained by MRP (Kalgoorlie). MRP are presently in the process of taking control of their Datashed database which has previously been managed by CSA Global in Perth.
	23. Discuss any adjustment to assay data.	Assay values designated less than detection are assigned a value 0.5 x LTD limit value. Where the assay value is labelled as IS or NS (insufficient / no sample) the assay value is set to absent.
Location of data points	*24. Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource*	The diamond hole was surveyed by Reflex single shot and by Gyroscopic method. The Gyro method is given priority over the Reflex data in the database

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	estimation.	A Gyro Survey Instrument is used at drillhole completion to measure the dip and azimuth of the drillhole trace. The drill rig operated gyro has been validated by using an independent contractor to also survey several of the earlier drilled RC holes
	25. Specification of the grid system used.	All grid referencing is completed and managed in MGA GDA 94 Zone 51 co-ordinates. Elevation is recorded in AHD.
	26. Quality and adequacy of topographic control.	Since 2011 - Fugro Spatial Solutions Pty Ltd detailed aerial photographic survey. Ortho-rectification and mosaicking performed using Inpho Digital Photogrammetric Systems. Expected accuracy of detail within 0.8mm at the ortho-image map scale. Minecomp Pty Ltd and Cardno Ltd (Spectrum Surveys) carry out land pickups using DGPS and tied into historical databases, current surveys and Fugro aerial digital survey and confirmed all survey closures.
Data spacing and distribution	*27. Data spacing for reporting of Exploration Results.*	Drill holes are modelled and drilled at 20m grid line section spacing. The holes in the RC program are on sections drilled 20m apart.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	28. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The data spacing and distribution is sufficient to demonstrate spatial and grade continuity to support the planned updated Mineral Resource estimate (MRE) under the 2012 JORC code. The holes reported in this program have not yet been incorporated into a reported Ore Reserve and Mineral Resource Statement.
	29. Whether sample compositing has been applied.	No sample compositing is undertaken. All RC drilling is sampled at 1m intervals which is standard for the industry. Diamond core is selectively sampled based on geological features with interval ranges from 0.3m to 1.5m.
Orientation of data in relation to geological structure	*30. Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The drillholes have been designed to test the MRE outlines orientated on a grid striking 035°, based upon an interpreted strike of mineralisation of 305°. A subtle change in strike to 325° was identified in the mineralised trend at depth at the south-eastern portion. The sampling is considered to be unbiased with respect to drillhole orientation versus strike and dip of mineralisation.
	31. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Diamond drilling in the past has confirmed that drilling orientation did not introduce any bias regarding the orientation of the mineralised lodes.
Sample security	*32. The measures taken to ensure sample security.*	Chain of Custody is managed by MacPhersons. Samples are stored on site and delivered to the assay laboratory in Perth by a contracted transporter. Whilst in storage, they are kept in locked premises. Samples submission sheets are in place to track the progress of sample batches and the laboratory provides a web based tracking system to monitor job progress.
Audits or reviews	*33. The results of any audits or reviews of sampling techniques and data*	CSA and SRK have reviewed sampling procedures between 2011 and 2013 and ascertained the protocols to be to industry standard. Any recommendations made were of minor consequence and have not impacted upon the validity of earlier sampling programmes.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY

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JORC Code, 2012 Edition – Table 1 Report Template

Section 2 Reporting of Exploration Results

This report relates to diamond core and Reverse Circulation (RC) drilling completed from August 2014 and reference is made to the historical data. One diamond core drillhole and 47 RC holes have been completed by MRP from August 2014 and completed data has been validated and added to the MRP database. Some samples are still being processed through the laboratory for multi-element assaying. Drilling is ongoing up until the third week of December 2014.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	1. *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Nimbus Project is located approximately 17km east-southeast of Kalgoorlie, 2km east of Boorara and 6.5km north-northwest of Golden Ridge. The Nimbus mine site is on the mining leases M26/490 and M26/598 accessed from the Kalgoorlie-Bulong Road via an unsealed haul road. The tenements are located within the Hampton Hill Pastoral Station. MacPhersons Resources (MRP) purchased the Nimbus property on 8th September 2011 from Kalgoorlie Ore Treatment Company Pty Ltd (KOTC). The tenements are held by KOTC, a wholly owned subsidiary of MacPhersons Resources Ltd.
	2. *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The tenements are in good standing and no known impediments exist.
Exploration done by other parties	3. *Acknowledgment and appraisal of exploration and production by other parties.*	Archaean Gold • Soil sampling - 200m x 40m spaced soil sampling. • Drilling - 32,538m of RAB, 18,449m of RC and 3,214m of diamond core. • Geophysics - Surface electromagnetic (EM) survey Polymetals • Mining - 331,283t of ore @ 348g/t Ag. • Processing – 318,992t of ore @ 352g/t Ag to produce 3,616,000 oz Ag

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
		• Various Resource estimates, and 2 open pit mining phases.
Geology	*4. Deposit type, geological setting and style of mineralisation.*	Nimbus is hosted in felsic units of the Boorara Domain and is the only known silver – zinc deposit in the Eastern Goldfields. Mineralisation is associated with volcanic hosted massive sulphides. The deposit consists of multiple zones of oxide silver/gold mineralisation, supergene silver/gold mineralisation and deeper primary silver/gold/zinc sulphide zones. In addition eighteen primary zinc sulphide domains have been modelled. Supergene-enriched oxide silver mineralisation overlies southeast plunging shoots of disseminated to massive Fe-Zn-Pb-As sulphides with associated elements including Ag, Sb, Bi and Cd, and also with high Hg content. Although the genesis of the base metal mineralisation is a topic of much discussion it is thought by most workers that the Nimbus deposit to be a volcanogenic hosted massive sulphide (VHMS) style deposit.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Drill hole Information	*5. A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *1. easting and northing of the drill hole collar* *2. elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *3. dip and azimuth of the hole* *4. down hole length and interception depth* *5. hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Drilling includes an historical (pre-MRP) drillhole database and a recent MRP database containing drillhole data from 2011 to present day. Both data sets are a mix of reverse circulation (RC) and diamond core drilling. The MRP database also contains aircore drill hole data, targeting TSF1, TSF2 and prospects to the north of the Nimbus project. The historical database has 336 RC holes (29,702m) including 97 grade control holes (3,108m) drilled within the Discovery Pit. A total of 88 diamond core holes (21,447m) were also drilled. Not all of these holes penetrated mineralisation. Most of the historical RC and diamond core drillhole data were considered to have reliable quality assurance to be included in the 2013 Mineral Resource Estimate (MRE). Rotary Air Blast (RAB), aircore and selected drillholes from RC and diamond core drilling were suppressed and not used in the MRE due to quality assurance (QAQC) concerns, where data was incomplete or due to sample quality. The MRP database contains 38 diamond holes for 11,212.88 metres of diamond core, 220 RC drill holes (35,284m) and 200 aircore drill holes (9,958m) at the time of database cut-off at 18/11/2014. All reports contain a table detailing hole collar location and downhole survey details. The entire database has previously been managed by CSA Global using Datashed and signed off as being in full agreement with the MRP GEMS / Surpac databases. CSA have maintained and validated the full database through to the August 2014 drilling.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY

Drill holes reported here are as follows:-

Hole ID	Easting	Northing	RL	Length	Azimuth	Dip
NBGT005	370939	6592908	402	221	035°	-55°
NBRC125	370770	6593150	397	174	215°	-60°
NBRC126	370785	6593170	396	210	215°	-60°
NBRC127	370748	6593163	396	170	215°	-60°
NBRC128	370764	6593184	396	210	215°	-60°
NBRC130	370729	6593178	396	170	215°	-60°
NBRC131	370708	6593190	395	180	215°	-60°
NBRC135	370188	6593320	396	198	215°	-60°
NBRC136	370194	6593287	396	246	215°	-60°
NBRC137	370193	6592473	403	156	035°	-60°
NBRC138	371062	6593095	399	310	215°	-60°
NBRC139	371055	6593077	399	280	210°	-60°
NBRC140	371042	6593064	400	240	215°	-60°
NBRC141	371026	6593124	397	330	215°	-60°
NBRC142	371047	6593110	397	340	205°	-60°
NBRC143	371032	6593098	399	202	215°	-60°
NBRC144	371019	6593078	400	240	215°	-60°
NBRC145	370877	6593130	398	354	215°	-60°
NBRC146	370860	6593157	397	270	215°	-60°
NBRC147	370842	6593168	397	276	215°	-60°
NBRC148	370834	6593157	397	402	215°	-60°
NBRC149	370811	6593170	396	350	215°	-60°
NBRC150	370805	6593156	397	310	215°	-60°

CRITERIA	JORC CODE EXPLANATION	COMMENTARY

NBRC151	370901	6592946	403	222	035°	-60°
NBRC152	371101	6593011	400	240	215°	-60°
NBRC153	371085	6592986	400	198	215°	-60°
NBRC154	371113	6592987	400	198	215°	-60°
NBRC155	370972	6592872	402	150	035°	-60°
NBRC156	370968	6593048	401	198	215°	-60°
NBRC157	370963	6592903	401	150	035°	-60°
NBRC158	371074	6593022	400	180	215°	-60°
NBRC159	370766	6593059	398	180	215°	-60°
NBRC160	370800	6593063	397	186	215°	-60°
NBRC161	371054	6593032	397	200	215°	-55°
NBRC162	371112	6592942	397	140	215°	-60°
NBRC163	370995	6593122	397	390	200°	-60°
NBRC164	371135	6592975	397	220	215°	-60°
NBRC165	371092	6592957	397	126	215°	-60°
NBRC166	371060	6592954	397	150	215°	-60°
NBRC167	371003	6592873	397	204	215°	-60°
NBRC224	370979	6593145	397	378	185°	-60°
NBRC225	371033	6593047	397	210	215°	-60°
NBRC226	371013	6593061	397	210	215°	-60°
NBRC227	370912	6592961	397	160	035°	-60°
NBRC228	370565	6592946	397	300	035°	-55°
NBRC229	370590	6593308	400	210	035°	-60°
NBRC230	370610	6593336	400	210	035°	-60°
NBRC232	370558	6592978	397	84	035°	-55°

Data aggregation methods	6. *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	The purpose of this document is to report exploration results from recent drilling at Nimbus Deposit. Note: Because the Nimbus Project reports Ore Reserves and to ensure consistency in the definition of silver-equivalent (Ag-Eq) calculations, **the reported grade is Ag-Eq <u>recovered grade</u>**, meaning that reporting has used the ore reserves calculation and has taken into consideration mining dilution, mining losses, mining recoveries and pillar allocation, metallurgical recoveries, refining and smelting losses and charges, marketing costs, and royalties. No top cut grades are applied to the reporting of exploration results. Minimum reportable grade interval taken as 1m in consideration of a reasonable minimum mining width. Internal dilution of a maximum of two consecutive metres of waste grades are allowable for each intersection reported.
	7. *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	Mineralised intercepts above a certain lower cut off will be reported in their entirety and any high grade zones within that intercept will be reported separately as an "included" intercept as per the following examples. ❖ **18.75m @ 122 g/t Ag** in NBDH034 from 133.85mm depth; ▪ **Includes 4m @ 354 g/t Ag** from 136m depth; and ▪ **Includes 4.2m @ 169 g/t Ag** from 147.5m depth ❖ **2.75m @ 137 g/t Ag** in NBDH034 from 226.5m depth; ▪ **Includes 1m @ 337 g/t Ag** from 227m; Where the interval has consistent assays throughout, the interval is reported as an average grade (ie): ❖ **7.0m @ 1472 g/t Ag-Eq*** in NBRC145 from 216m depth; ▪ **Interval averages 755 g/t silver and 21% zinc.**

	8. *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Silver equivalent grades quoted are based on the formula Ag-Eq = Ag + (Zn x 26.65) + (Au x 38.43) + (Hg x 0.17) and is based on market prices as set on the 1st July 2014. In the Company's opinion, all metals included in the equivalent calculation have reasonable potential to be recovered and sold. Other significant metals including lead, copper and antinomy are not included in the calculation as they will not be recovered in the initial proposed plant circuit but may be considered in future plant expansions. **The reported grade is Ag-Eq <u>recovered grade</u>,** meaning that reporting has used the ore reserves calculation and has taken into consideration mining dilution, mining losses, mining recoveries and pillar allocation, metallurgical recoveries, refining and smelting losses and charges, marketing costs, and royalties.

Relationship between mineralisation widths and intercept lengths	*9. These relationships are particularly important in the reporting of Exploration Results.*	Cross sections of the deposit showing the relationship to drill hole azimuths and dips to the geological interpretations are presented in the document, and in ASX releases. The mineralisation is steeply dipping (-80^0), striking 305^0-125^0 Historical drilling is predominantly along 020^0 or 200^0 and are inclined between -40^0 and -90^0 MRP DD holes are along 020^0-200^0. MRP RC holes are along 035^0 or 215^0 at right angles to the mineralisation trend. Drill holes are inclined between -55^0 and -60^0. All intercepts reported are down hole intercepts. The intersection angles for the drilling range from 40^0 – 60^0. Therefore true width can be estimated and is approximately 2/3 the reported downhole intersections. Vertical holes will tend to exaggerate the intersection width.
	10. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	
	11. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	
Diagrams	*12. Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* *(NOTE: Any map, section, diagram, or other graphic or photo must be of high enough resolution to clearly be viewed, copied and read without distortion or loss of focus).*	Numerous maps and sections included in the reporting and associated file documentation. There are two figures at the end of this section that show where the current drillholes are positioned with respect to the mineralisation. Figure 1: Plan of holes. Figure 2: Cross section showing holes NBRC143, 144 and 151.
Balanced reporting	*13. Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Exploration results reported here are all those significant intercepts received to date for the diamond and RC drilling programs from August 2014 onwards.

Other substantive exploration data	14. *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Geological features are identified in section 3. Deposit strongly oxidised down to 90m below surface. Composition of mineralisation in weathered zone is complex. At base of weathering (60-80m) a sub-horizontal supergene zone of massive pyrite often forms a cap on primary mineralisation. Mineralised shoots in primary disseminated to massive sulphide zone can be up to 80m wide and plunging 45° SE. Multi element assaying is conducted routinely on all samples. Geotechnical logging was carried out on the diamond drillhole for recovery, RQD and number of defects (per interval). Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure table of the database.
Further work	15. *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	The primary Ag-Zn-Au mineralisation remains open down plunge which some of the deeper RC holes are currently testing. Further deep drilling may be planned to examine further potential down-plunge extensions based on results from this reported drilling. Further to the deep drilling and extensional targets shown in the Figures 1 & 2, drilling is planned to follow-up near surface mineralisation identified in auger soil sampling that may be associated with repetitions and extensions outside the current pit designs.

	16. *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* *(NOTE: Any map, section, diagram, or other graphic or photo must be of high enough resolution to clearly be viewed, copied and read without distortion or loss of focus).*	Progressive testing program of proposed extensions is shown in Figure 1 through continuation of the triangulations representing the existing mineralisation lenses at Nimbus Discovery and East Pit zones. There exists many other extensions to historical drillholes, however they do not form part of this program, as they would be classed as exploration whereas the purpose of this program is to increase mine inventory and to reclassify resources to reserves.

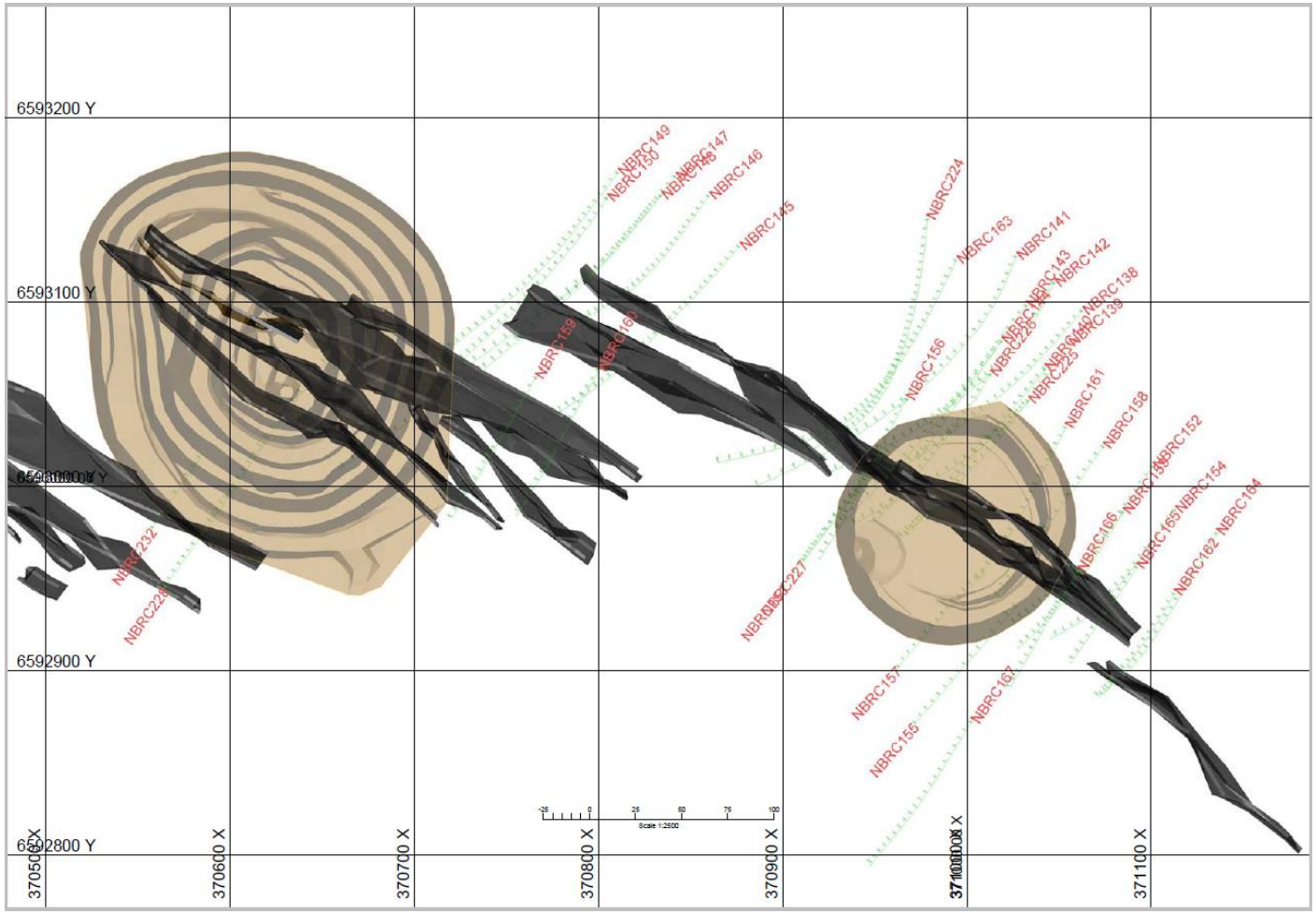

Figure 1: Plan of Drillholes

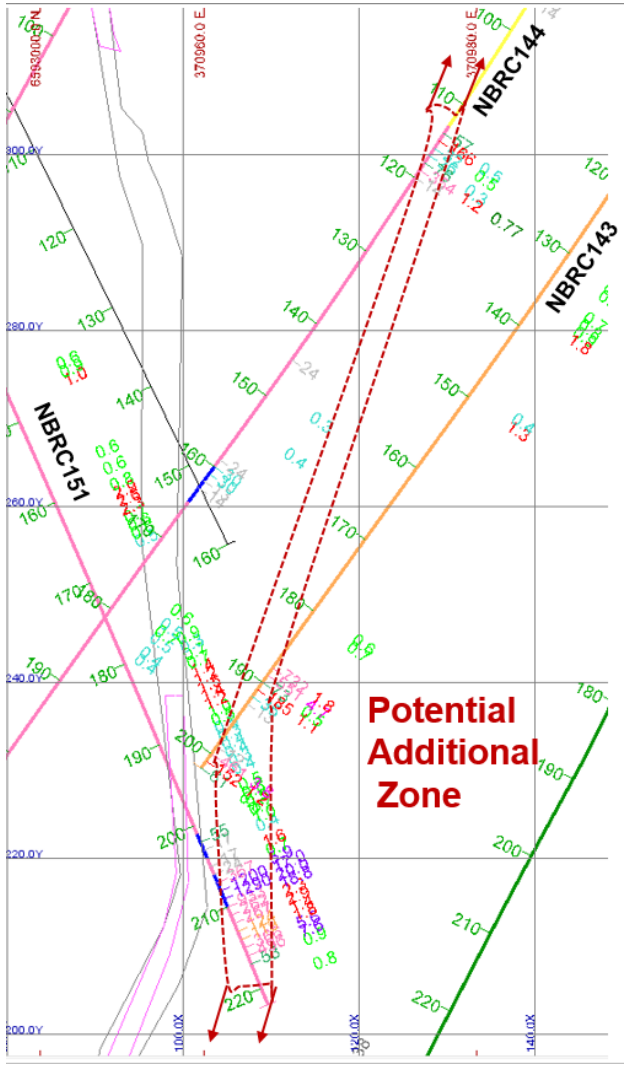

Figure 2: ±10m thickness Cross section showing key new lode and design intersections (holes NBRC 143, 144, and 151).